



# MI-LOAN PROGRAM

## Credit Ready Loan Application

### Instructions for Completion



**READ THE FOLLOWING INFORMATION BEFORE COMPLETING THE APPLICATION!**



#### IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. **What this means for you:** When you apply for a MI-LOAN Program student loan, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

- Print all items in English using dark ink or type.
- If you make a mistake while completing the application, **LINE OUT AND INITIAL THE CHANGE; DO NOT USE WHITE OUT.**
- You must initial any corrections to items 3, 4, 10 and 23.

Item 1. Enter the name and location of the Michigan school where the student is attending or has been accepted for enrollment.

Item 2. Enter the student's grade level using one of the following codes:

#### UNDERGRADUATE

- 1 = 1st year (Freshman)
- 2 = 2nd year (Sophomore)
- 3 = 3rd year (Junior)
- 4 = 4th year (Senior)
- 5 = Beyond 4th year (Undergraduate)

#### GRADUATE OR PROFESSIONAL

- 6 = 1st year
- 7 = 2nd year
- 8 = 3rd year
- 9 = Beyond 3rd year

#### APPLICANT INFORMATION SECTION

- Item 5. You **MUST** be 18 years of age, or an emancipated minor, on the date the application is signed.
- Item 7. Enter your permanent street address. A P O Box is acceptable **only** in those instances where you do not have a street address. If you use a P O Box for your address, your reference (items 17-19) must have a street address.
- Item 8. If you wish the billing statement to be sent to an address other than your permanent address, fill out this item. Otherwise, enter "N/A".
- Item 10. The minimum loan amount is \$500. The maximum loan amount is the cost of school attendance minus estimated financial aid with a cumulative program maximum of \$75,000. You **MUST** initial any change to this item.
- Item 11. The loan period to which this loan will be applied is defined as "the period of time the student expects to be enrolled and for which loan assistance is being requested, and shall not be more than 12 months".
- Item 13. If you have no driver's license, enter "NONE".
- Item 14. Check "Yes" or "No" to confirm whether you are in default on an education loan.
- Item 15. If you are unemployed, enter "NONE".
- Items 17 to 19. The adult reference that you provide must not be living with you at your permanent address, as listed in item 7.
- Item 20. If you, the applicant, are not the student, enter the student's full name and Social Security number.
- Item 22. Check "Yes" or "No" to confirm whether the student is in default on an education loan.

#### PROMISE TO PAY SECTION

- Item 23. Sign and date the Credit Ready Loan Application in the Promise to Pay section where indicated. You **MUST** initial any changes to the signature.

## ADDITIONAL INFORMATION

**Please check to be sure all required information o your application has been filled in. Lack of any required information will delay the processing of your application.**

**Mail the signed, and dated, application to our servicer, Firstmark Services, at the address given below.** The application may be submitted no earlier than three (3) months prior to the beginning date of the loan period and must be received by our servicer no later than the last day of the last month of the loan period.

If you have any questions, or would like further information, please contact:

Firstmark Services  
P O Box 25410  
Woodbury, MN 55125-0410  
Borrower Origination/New Loan Hotline: 800-935-2275



## CREDIT READY LOAN APPLICATION



**NOTE:** Using WHITEOUT on this application will make the application null and void.

**PRINT IN ENGLISH USING  
DARK INK OR TYPE**

**1. SCHOOL NAME:**

**Campus Location/City:**

**2. Grade Level (1-9):**  
(See table on back)

### APPLICANT INFORMATION

3. Applicant Last Name: First Name: MI:

4. Social Security Number: - - 5. Date of Birth: / / 6. Email Address:

7. Permanent Address: City: State: Zip:

8. Billing Address: City: State: Zip:

9. Permanent Telephone: ( ) Billing Telephone: ( )

10. Requested Loan Amount: \$ .00 11. Loan Period (Month/Year): / To /

12. Are you a U.S. Citizen or permanent resident? ☐ Yes ☐ No

13. Driver's License Number: Issuing State: 14. Are you in default on an education loan? ☐ Yes ☐ No

15. Employer's Name (if unemployed, enter "None"):

16. Business Telephone: ( )

17. Reference Name (Nearest relative or friend, NOT living with you at your permanent address listed above):

18. Street Address: City: State: Zip:

19. Home Telephone: ( ) Business Telephone: ( )

20. If the applicant is not the student, Student Name: Student SSN: - -

21. Relationship to Student: ☐ Parent ☐ Legal Guardian 22. Is the student in default on an education loan? ☐ Yes ☐ No

**23. PROMISE TO PAY:** If the school that the student is attending participates in electronic funds transfer (EFT), I authorize the school to transfer the loan proceeds to the student's account. If after the disbursement of this loan, the school determines that the student has been awarded more financial aid than he/she qualifies for, an over award situation, I authorize the school to return a part or all of the proceeds of this loan to reduce the over award.

I promise to pay all sums disbursed (hereafter "loan" or "loans") under the terms of the Promissory Note and Agreement included with this application, plus interest and other fees which may become due as provided in the Promissory Note and Agreement as supplemented by the Loan Disclosure (as defined in the Promissory Note and Agreement). If I fail to make payments on this Note when due, I will also pay reasonable collection costs, including attorney's fees, court costs, and collection fees. I understand I may cancel this loan by following the cancellation instructions provided in the "CANCELLATION" section of the Promissory Note and Agreement. I will not sign this application before reading it, including the terms and conditions of the Promissory Note and Agreement included with this application, even if otherwise advised. I am entitled to an exact copy of the Promissory Note and Agreement. My signature certifies I have read, understand, and agree to the terms and conditions of this application, including the Borrower Authorization and Certification section of the Promissory Note and Agreement included with this application.

Borrower Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Mail completed and signed application to:**

**Firstmark Services  
P O Box 25410  
Woodbury, MN 55125-0410**

**Toll-free Telephone: 888-538-7378**

**FOR INSTRUCTIONS REGARDING INDIVIDUAL LINE ITEMS, LOAN ORIGATION CONTACT INFORMATION, AND REPAYMENT CONTACT INFORMATION, PLEASE CONSULT THE REVERSE SIDE OF THIS APPLICATION, THE APPLICATION BROCHURE, OR OUR WEB SITE AT [www.miloganprogram.com](http://www.miloganprogram.com).**

**BEFORE MAILING**, make sure all required information on your application is filled in. Lack of any required information will delay the processing of your application.

MHESLA Ref. Code:

# MICHIGAN ALTERNATIVE STUDENT LOAN (MI-LOAN®) PROGRAM

## CREDIT READY LOAN

PROMISSORY NOTE AND AGREEMENT – Page 1 of 3

Applicant Copy

In this Promissory Note and Agreement, the words “I”, “me”, “my” and “borrower” refer to the individual who signs the application as the borrower. “Student” refers to the individual for whose education this loan is being undertaken. “You”, “your”, and “Student Loan Authority” refer to the Michigan Higher Education Student Loan Authority (MHESLA). “Servicer” refers to an agent(s) selected by you to administer the Loan. “Loan Disclosure” refers to the disclosure required by the federal Truth in Lending Law.

### 1. APPROVAL OF THE LOAN

My signature on the application certifies that I have read, understood, and agreed to the terms and conditions of this Promissory Note and Agreement. You have not agreed to make me a loan in the amount I have requested or in any amount. You or the servicer will notify me in writing if my request for a loan is refused. If you agree to make me a loan, you will notify me of the amount and other terms as specified in the Loan Disclosure, the terms of which are incorporated by reference herein as if stated in their entirety. If I do not want this loan, I will cancel it by following the cancellation instructions provided in the “CANCELLATION” section of this Promissory Note and Agreement.

### 2. INTEREST RATE

I will pay you simple interest at a fixed rate on the unpaid principal balance of my loan from the date you disburse the loan until the loan is paid in full. The Loan Disclosure that you provide me will identify the applicable interest rate for this loan. The fixed interest rate will remain the same throughout the life of the loan. The maximum interest rate will not exceed the rate permitted by Michigan law. If I do not wish to accept this loan at the disclosed interest rate, I understand that I can cancel the loan by following the cancellation instructions provided in the “CANCELLATION” section of this Promissory Note and Agreement. I understand that if I do not cancel the loan, I am responsible for the interest and principal to the date that the loan is paid in full.

### 3. DISBURSEMENT

If the application for the loan evidenced by this Promissory Note and Agreement is approved, the Loan Disclosure will be sent to me at the time that the loan is disbursed. There will be one or more disbursements. Disbursement may be by a check payable jointly to the borrower and the school, by a check payable only to the borrower, or by electronically transmitting the disbursement funds (EFT) directly to the school for or on the behalf of the borrower. I will be contractually obligated on this Promissory Note and Agreement as supplemented by the Loan Disclosure if the loan is not cancelled in accordance with the cancellation instructions provided in the “CANCELLATION” section of this Promissory Note and Agreement.

### 4. RESERVE FEE

I will pay a reserve fee, which will be deducted from my loan proceeds. You will show me the exact amount of the reserve fee on the Loan Disclosure that you will send me if you approve my loan. I will not be entitled to a refund of the reserve fee if I fail to cancel the loan in accordance with the cancellation instructions provided in the “CANCELLATION” section of this Promissory Note and Agreement.

### 5. REPAYMENT

The payment schedule for my loan is subject to the following requirements: (a) My loan must be repaid in full no later than twenty-five (25) years after the first disbursement of the loan; and (b) My minimum monthly payment for all of my loans combined will total Fifty Dollars (\$50.00). If a fifty-dollar (\$50.00) monthly payment is not sufficient to pay each loan in full within its maximum repayment term, my monthly payment will be increased to an amount that will permit each loan to be paid in full within its maximum repayment term. The first monthly installment will be due within sixty (60) days of the first disbursement (date of the check or EFT transfer). The Loan Disclosure, which you will send me, will identify the date that my first payment is due. Thereafter, payments shall be made monthly, due on the same day of the month as the first payment was due. If you approve, the day of the month that the payment is due may be changed. Payments received shall be applied in the following order: (a) to accrued interest; (b) to outstanding principal; (c) to late charges due or other amounts I owe you. If I have several loans within an account, you will apply payments made on my account to delinquent amounts due then proportionately to the loans contained within the account. The amount of my last payment may be different than disclosed. Payments made early or late, forbearance and capitalization will affect the amount of the final payment. If the amount of my last payment is different from the scheduled payment, you will send me a statement showing the date and the amount of the last payment, before it is due. Your failure to send me a final statement does not release me from the obligation to remit payment for the balance due on the loan account.

### 6. PAYMENT BILLING

You will send me a coupon book or monthly bill, the option is yours, for each payment due on my loan. I will make my payment on or before the scheduled due date. Payments on this Promissory Note and Agreement shall be made to the servicer at the address provided or as otherwise requested by you. Failure to be billed does not alleviate my responsibility to make the regularly scheduled payments.

**7. LATE CHARGES AND COLLECTION COSTS**

If I make a payment after its due date, interest on the unpaid balance will be computed to the date the payment is received, and the total finance charges I pay will be increased. If I fail to make a payment when due, and if it is overdue more than thirty (30) days, I will pay a late charge of up to, but not to exceed, six cents (.06) for each dollar for each late installment. In the event of default, I agree to pay all of your collection and court costs, including reasonable attorney's fees.

**8. PREPAYMENT**

I may prepay all or part of my loan at any time without penalty. If I prepay part of the principal balance of my loan, I must continue to make all scheduled monthly payments until my loan is paid in full. If I make multiple payments on my loan within the same month, the due date of my loan will not be advanced more than thirty (30) days into the future, unless you approve my request to have it advanced.

**9. FORBEARANCE**

I can request forbearance of principal payment (thus allowing for interest only payments) or forbearance of principal and interest payments (with the accrued interest capitalized at the end of the forbearance period) for a period up to twelve (12) consecutive months at a time. Forbearance may be granted up to the cumulative maximum allowed of sixty (60) months. I understand that forbearance is not an option if I default.

**10. ACCELERATION AND DEFAULT**

If I am in default, you may declare the full unpaid balance (including accrued interest, late charges and other collection costs) immediately due and owing without notice. If you declare the full unpaid balance immediately due and owing, I agree to pay interest on such amount from the date you required payment until paid in full at the same rate I have agreed to pay on this Promissory Note and Agreement. I will be in default if I: (a) do not make payments as scheduled and the payments become 120 days delinquent, (b) make any false representation in obtaining any loan, or (c) fail to perform any other provisions of this Promissory Note and Agreement. If I default, I understand you will make every effort to collect the loan from me, which may include garnishment, tax levy, the confiscation of income tax refunds or other legal actions. I hereby waive presentment, demand, protest, and notices of dishonor and protest with regard to the obligation evidenced by this Promissory Note and Agreement.

**11. CREDIT BUREAU NOTIFICATION**

You will report information about the amount of my loan and the repayment status of my loan to one or more credit bureau organizations. If I default on this loan, you will report the default to credit bureaus. I understand that the reporting of delinquent or defaulted loans may significantly and adversely affect my credit rating.

**12. CANCELLATION**

I will not be required to repay my loan if (a) I return the disbursed funds to you or your servicer within thirty (30) days of the date of the disbursement, (b) within thirty (30) days of the date of the Loan Disclosure, I request the school, in writing, with a copy to you or your servicer, to return the funds, or (c) the student becomes totally and permanently disabled or dies.

**13. NOTICE OF CHANGES**

I will notify you immediately of any change in my name and/or permanent or billing address.

**14. GOVERNING LAW AND ENFORCEABILITY**

This Promissory Note and Agreement is governed by the laws of the State of Michigan. I consent to the personal jurisdiction of the courts of the State of Michigan in any lawsuit involving this Promissory Note and Agreement. The invalidity or unenforceability of any provision of this Promissory Note and Agreement shall not affect the validity or enforceability of any other provision.

**15. AMENDMENT**

The terms and provisions of this Promissory Note and Agreement may be waived, modified or amended only by a writing signed by me and you except as provided in the next sentence. Non-material changes not adverse to me and deemed by you, upon advice of counsel, to be necessary to comply with the requirements of Act 222 of the Public Acts of 1975, as amended, may be made by you and shall become effective upon my receipt of notice of such changes.

**16. ASSIGNMENT**

I may not give my rights or responsibilities under this Promissory Note and Agreement to anyone else. You may, however, give your rights and responsibilities under this Promissory Note and Agreement to someone else. When you tell me, I will be required to make payments on this Promissory Note and Agreement to that person or entity.

**17. ADDITIONAL AGREEMENTS**

- a. I will use the proceeds of this loan for costs associated with attendance by the student at the school named in the application for this loan.
- b. All information furnished in the Credit Ready Loan Application or other documents required for this loan is true, complete and correct.
- c. I will answer promptly and truthfully all communications forwarded to me by you or your agents.
- d. I will be notified by you or your servicer when this loan has been paid in full.

e. Neither you nor your agents warrants or vouches for the quality or suitability of the educational programs offered by eligible schools. Loan repayment is not conditioned upon completion of the student's education or the student obtaining employment in a related field of study, but is my legal obligation.

#### **BORROWER AUTHORIZATION & CERTIFICATION**

I hereby authorize MHESLA or its agents to investigate creditworthiness and credit capacity, and to furnish information concerning loan credit activity to consumer reporting agencies and other persons who may receive such information. I understand that if the credit is approved, it will be subject to the terms and conditions of this Credit Ready Loan Promissory Note and Agreement.

I further authorize: (a) the school to gather, receive, provide and confirm information regarding attendance, financial aid, and current or prior status as may be relevant to consideration of this application; and (b) the release of information pertinent to my loans: (1) by my schools, MHESLA, or their agents to members of my immediate family, unless I submit written directions otherwise; (2) by and among my schools, MHESLA, and their agents; and (3) to others in accordance with any applicable laws. I understand that the proceeds of this loan must be used for educational purposes. This application and supporting documentation remain the property of MHESLA and its agents.